

DRAFT

**SCOTTSDALE TOURISM DEVELOPMENT COMMISSION
CITY OF SCOTTSDALE
PINNACLE CONFERENCE ROOM
7575 EAST MAIN STREET
SCOTTSDALE, ARIZONA
SEPTEMBER 19, 2006
MINUTES**

MEMBERS PRESENT:

Ned Sickle, Chairman
John Holdsworth, Vice-Chairman
Kate Cavaliere, Commissioner
Sally Shaffer, Commissioner

ABSENT: Kieran MacDonald, Commissioner
Gordon Zuckerman, Commissioner

STAFF: Kathy O'Connor, Tourism Development Manager
Dave Roderique, Economic Vitality Dept., General Manager
Craig Clifford, Financial Services Department
Lee Guillory, Finance Manager
Jennifer Hawkes, Economic Vitality Department
Teresa Huish, Transportation Department
Kathy Montalvo, Economic Vitality Department

OTHERS PRESENT FOR ALL OR PART OF THE MEETING:

David Benjies
Wayne Ecton, Councilman
Brent DeRaad, CVB
Barbara Dietz
Genia Kehayes, CVB
Janice McCrea-Wight
Susan Morrow-Potje
Lauren Simons, CVB
Rachel Sacco, CVB
Stuart Snedecor
Dan Tavritsky, CVB
Ralph Wilson
Joe Zanolvitch

1. CALL TO ORDER

Chairman Sickle called the meeting to order at 8:05 a.m.

2. ROLL CALL

A formal roll call confirmed members present as stated above, noting the presence of a quorum.

3. APPROVAL OF MINUTES (Attachment No. 1)

VICE-CHAIRMAN HOLDSWORTH MOVED TO APPROVE THE MINUTES OF THE AUGUST 15, 2006 MEETING. SECONDED BY COMMISSIONER CAVALIERE, THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF FOUR (4) TO ZERO (0).

4. TRANSPORTATION MASTER PLAN AND HIGH CAPACITY UPDATE

Teresa Huish, Principal Transportation Planner, distributed hardcopies of a PowerPoint presentation entitled: City of Scottsdale Transportation Master Plan. The Transportation Commission is the steering committee of the process and will make the recommendations to City Council on the overall master transportation plan. The General Plan is the foundation for the Transportation Master Plan. The goals of the Transportation Master Plan were obtained from the community mobility element of the General Plan. Updating the Transportation Master Plan is a long-term project that will also address pertinent short term issues such as Chaparral Road and the Airpark Tunnel.

Ms. Huish explained the vision of the mobility element, and various components of the project including a streets plan, a transit plan, a bicycle plan and a pedestrian plan. Existing plans will be updated. The trails plan will be included in the review, but will not be part of the Master Plan update. This Master Plan update also includes the high capacity transit study. In Phase I, Scottsdale Road was designated as the high transit corridor. Phase II will identify the technology to be used. Light rail, bus rapid transit and modern street car are being evaluated in the current study.

Ms. Huish presented a brief history and overview of the planning process, noting that the project is currently moving into the community input stage. Community outreach continues on various levels. Eight group discussion meetings focused on high capacity transit will be held during the next week. Workshops regarding the whole plan will be held in December.

In response to inquiry by Chairman Sickles, Ms. Huish explained that the criteria being used to analyze the high transit alternatives is federally mandated and includes the evaluation of travel time, rider ship potential, capacity of the corridor, capital costs compared to operational and maintenance costs, the impact on the roadway and the surrounding properties, as well as feasibility of implementation and the amount of community support. The second part of the evaluation, Tier 2, includes evaluation of rider benefits, land use, economic development, resolution

of traffic issues, which populations are served, environmental issues, design considerations, cost, and community support.

Councilman Ecton stressed the importance of support for this effort from the community, citing the impact traffic can have on the tourism industry.

In response to inquiry by Vice-Chairman Holdsworth regarding the length of the process, Ms. Huish projected that the draft plan could be pulled together by the first part of January or February and be presented to City Council in May or June of 2007. The project is a 20 year plan; short term items should be completed within the next five years.

Chairman Sickle noted a previous study indicating that the perception of meeting planners cited disadvantages of locating in Scottsdale due to the distance and frustration associated with getting to the Airport. Chairman Sickle requested that this issue be considered in the plan update. Mr. Roderique also noted the important consideration of workforce transportation and stressed the need of strong support for a high transit system from the tourism industry. Chairman Sickle concurred, noting the challenges of attracting and keeping capable employees. Commissioner Shaffer agreed, further suggesting a seven day a week transit system.

Mr. Clifford noted that the City will most likely need general obligation bonds to fund a high transit project, which would require a vote of the citizens. He stressed the importance of the Tourism Development Commission weighing-in for the population to understand the impacts on Scottsdale, noting that the tourism industry has few votes compared to the population and the work force coming from outside of Scottsdale cannot vote.

Pursuant to the request of Ms. O'Connor, Ms. Huish agreed to provide Ms. O'Connor with a schedule of upcoming meetings.

5. FY2006/07 MATCHING EVENT ADVERTISING FUNDING
APPLICATION RECOMMENDATIONS (Attachment 2 and 2A-C)

Commissioner Shaffer reported the following Sub-committee recommendations:

52ND ANNUAL SCOTTSDALE ARABIAN HORSESHOW

The criteria has been met; the Sub-committee recommends the allocation of \$20,000 for matching event advertising.

VICE-CHAIRMAN HOLDSWORTH MOVED THAT THE 52ND ANNUAL SCOTTSDALE ARABIAN HORSESHOW BE GRANTED THEIR REQUEST OF \$20,000 OF MATCHING ADVERTISING FUNDS FOR COMING FISCAL YEAR.

SECONDED BY COMMISSIONER CAVALIERE, THE MOTION CARRIED BY A UNANIMOUS VOTE OF FOUR (4) TO ZERO (0).

ARIZONA BIKE WEEK

This is a great WestWorld event with the potential to grow; recommended that the event be granted \$20,000.

The Sub-committee requested clarification regarding the event's advertising program as it relates to the CVB's overall marketing program. Mr. DeRaad expressed favor for granting the requested funds, noting that Scottsdale is well represented in their marketing plan. Ms. O'Connor also noted that the evidence of room nights associated with the event was clearly substantiated.

Vice-Chairman Holdsworth expressed concern that the Commission struggles to attach room nights to the event itself and suggested that the Commission find a better way to evaluate the actual impact of events on room nights in particular.

Commissioner Cavaliere noted that the Sub-committee discussed utilizing stronger survey results to determine how events are going about securing room nights as well as various information that would be beneficial in determining recommendations.

Ms. O'Connor cited that staff is working on a program whereby the City would work in tandem with the events and perform event survey's on a rotating basis. This practice will provide pertinent data on a consistent basis, using the same measuring tools.

VICE-CHAIRMAN HOLDSWORTH MOVED THAT THE ARIZONA BIKE WEEK BE GRANTED \$20,000 AS REQUESTED IN MATCHING ADVERTISING FUNDS FOR THE NEXT FISCAL YEAR. SECONDED BY COMMISSIONER SHAFFER, THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF FOUR (4) TO ZERO (0).

BARRETT JACKSON COLLECTOR CAR EVENTS

This is an extremely valuable event for Scottsdale. The Sub-committee recommends granting the request of \$20,000.

VICE-CHAIRMAN HOLDSWORTH MOVED THAT THE BARRETT JACKSON COLLECTOR CAR EVENT BE GRANTED \$20,000 AS REQUESTED IN MATCHING ADVERTISING FUNDS FOR THE FOLLOWING FISCAL YEAR. SECONDED BY COMMISSIONER CAVALIERE, THE MOTION CARRIED BY A UNANIMOUS VOTE OF FOUR (4) TO ZERO (0).

CELEBRATION OF FINE ART

This event is a long-term established Scottsdale event. The Sub-committee would like to see additional hard data from the surveys to determine if guests are coming to Scottsdale for this specific event. The Sub-committee recommended granting the requested \$20,000.

VICE-CHAIRMAN HOLDSWORTH MOVED THAT THE CELEBRATION OF FINE ART BE GRANTED \$20,000 IN MATCHING ADVERTISING FUNDS FOR THE NEXT FISCAL YEAR. SECONDED BY COMMISSIONER SHAFFER, THE MOTION CARRIED BY A UNANIMOUS VOTE OF FOUR (4) TO ZERO (0).

FBR OPEN

This is a major Scottsdale event with a significant contribution in the Valley. The request was submitted for \$18,000 along with the generous request that the additional \$2,000 available be given to other events with greater needs.

VICE-CHAIRMAN HOLDSWORTH MOVED THAT THE FBR OPEN BE GRANTED \$18,000 AS REQUESTED IN MATCHING ADVERTISING FUNDS FOR THE NEXT FISCAL YEAR. SECONDED BY COMMISSIONER CAVALIERE, THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF FOUR (4) TO ZERO (0).

P.F. CHANG'S ROCK 'N' ROLL MARATHON

An excellent Scottsdale event attracting numerous people. The event can only request \$18,000 pursuant to their contract with the CVB. The Sub-committee recommends approval of the request.

VICE-CHAIRMAN HOLDSWORTH MOVED THAT P.F. CHANG'S MARATHON AND HALF MARATHON BE GRANTED \$18,000 IN MATCHING ADVERTISING FUNDING AS REQUESTED FOR THE NEXT FISCAL YEAR. SECONDED BY COMMISSIONER SHAFFER, THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF FOUR (4) TO ZERO (0).

REGION 7 ARABIAN CHAMPIONSHIP SHOW AT WESTWORLD

This is a shoulder event with good demographics and supports other equestrian events in the area. The Sub-committee recommended approval of the requested \$8,148.00.

VICE-CHAIRMAN HOLDSWORTH MOVED THAT THE REGION 7 ARABIAN CHAMPIONSHIP SHOW AT WESTWORLD BE GRANTED \$8,148.00 AS REQUESTED IN MATCHING ADVERTISING FUNDS FOR THE NEXT FISCAL

YEAR. SECONDED BY COMMISSIONER CAVALIERE, THE MOTION CARRIED BY A UNANIMOUS VOTE OF FOUR (4) TO ZERO (0).

SCOTTSDALE CLASSIC FUTURITY AND QUARTER HORSE SHOW

A shoulder event that provides incremental economic impact; request is commensurate with overall budget and event scope. The Sub-committee recommended approval of the requested \$9,367.00.

VICE-CHAIRMAN HOLDSWORTH MOVED THAT THE SCOTTSDALE CLASSIC FUTURITY AND QUARTER HORSE SHOW BE GRANTED \$9,367.00 AS REQUESTED IN MATCHING ADVERTISING FUNDS FOR THE NEXT FISCAL YEAR. SECONDED BY COMMISSIONER SHAFFER, THE MOTION CARRIED BY UNANIMOUS VOTE OF FOUR (4) TO ZERO (0).

SCOTTSDALE CULINARY EVENT

The Sub-committee would like to see more cross promotion at other similar regional events in the area. The number of room nights generated by the event is difficult to determine. The amount requested by the event is \$20,000; the Sub-committee recommended funding \$15,000 of the requested amount.

Vice-Chairman Holdsworth requested further clarification of the suggested reduction, noting that the cooperative advertising that the event appears to be focusing on exceeds the matching amount requested. He acknowledged that the question is: Is this an event that attracts out of town visitors or is it a community event?

Joe Zanovitch, representing the Culinary Festival, reported compiling research based upon out of State attendance. The data reflects an out of town attendance average of 15%. Representatives from 32 States attended the event. Room night calculations are estimated at 4500 room nights. Further discussion ensued regarding the survey process and the noted room night calculations.

In response to a request by Vice-Chairman Holdsworth, Ms. Sacco opined that the event has a great deal of potential and joint efforts are in the beginning phase of moving the event to another level. Ms. Simons addressed the statistics as a result of working with Gourmet magazine and noted the impacts on improving out of State attendance of Scottsdale events. She explained that the decision to switch to Food and Wine was lead by the CVB.

Commissioner Shaffer inquired regarding event growth. Mr. Zanovitch opined that the current location could accommodate an additional 5,000 attendees, sharing that the goal is to increase revenue raised for Arizona charities.

Vice-Chairman Holdsworth asked if there are any plans to increase the number of events or scope of the events. Mr. Zanovitch responded affirmatively, noting that each year events are considered to attract national chefs and networks such as Food Network.

In response to inquiry by Chairman Sickie regarding the advertising budget outside of Maricopa County, Mr. Zanovitch explained that when the event partnered with the CVB, the initial budget shifted completely to the national Food and Wine promotion. Further discussion ensued regarding the cost of the Food and Wine promotion as well as local sponsorship.

VICE-CHAIRMAN HOLDSWORTH MOVED TO GRANT THE SCOTTSDALE CULINARY FESTIVAL WITH ITS INITIAL REQUEST FOR \$20,000 IN MATCHING ADVERTISING FUNDS.

In response to a request by Chairman Sickie, Vice-Chairman Holdsworth explained that the rationale behind the motion is based upon the indication of significant room nights associated with the event as well as the opinion of the CVB that this is a valuable, growing event.

Commissioner Cavaliere concurred, noting that with the support of the CVB and switching of the advertising to Food and Wine, she favors granting the event the opportunity to grow.

COMMISSIONER CAVALIERE SECONDED THE MOTION, WHICH CARRIED BY A UNANIMOUS VOTE OF FOUR (4) TO ZERO (0).

SCOTTSDALE SPORTS AND MUSCLE BY RUSSO AND STEELE COLLECTOR CAR AUCTION

This is a very good event, although the Sub-committee noted difficulty determining the degree to which the event influences a visitor's decision to come to Scottsdale solely to attend the event as well as the attribution of room nights associated with the event. The Sub-committee recommended that the event network with the CVB to promote the event and track room nights for attribution. The Sub-committee recommended granting \$15,000 of the \$20,000 requested in matching advertising funds.

Stuart Snedecor of Russo and Steele distributed the event's latest promotion material and documentation in support of their request, including calculated room nights attributable to event consignors. Mr. Snedecor also noted positive impacts of the event to the City of Scottsdale.

In response to query by Vice-Chairman Holdsworth, discussion ensued regarding the status of the event's interaction with the CVB. Vice-Chairman Holdsworth expressed disappointment with the lack of interaction with the CVB; the City's

chosen marketing partner and driver of visitors into Scottsdale. Mr. Snedecor committed to work more closely with the CVB in the future.

VICE-CHAIRMAN HOLDSWORTH MOVED TO GRANT THE RUSSO AND STEELE EVENT THE MATCHING FUNDS OF \$15,000 AS SUGGESTED BY THE SUBCOMMITTEE, FOR THE NEXT FISCAL YEAR, WITH THE POTENTIAL CAVEAT THAT IF WITHIN THE NEXT SEVEN DAYS THERE IS EVIDENCE AND SUPPORT FROM THE CVB THAT INDICATES GREATER ECONOMIC IMPACT, THAT THE COMMISSION RECONSIDER THE BALANCE OF THE \$5,000 FUNDING.

Mr. Roderique noted that reconsideration would require an additional meeting of the Commission subsequent to the seven day period. Ms. O'Connor noted, for Commission consideration, that economic impact is not one of the criteria in the application.

VICE-CHAIRMAN HOLDSWORTH WITHDREW THE MOTION.

VICE-CHAIRMAN HOLDSWORTH MOVED TO ACCEPT THE SUBCOMMITTEE RECOMMENDATION OF \$15,000 AND GRANT \$15,000 TO THE RUSSO AND STEELE EVENT IN MATCHING ADVERTISING FUNDS FOR THE NEXT FISCAL YEAR. SECONDED BY COMMISSIONER SHAFFER, THE MOTION CARRIED BY A UNANIMOUS VOTE OF FOUR (4) TO ZERO (0).

SUN COUNTRY QUARTER HORSE EVENT

This is a well established WestWorld event that produces good room night results and complements the menu of equestrian events at WestWorld. The Sub-committee recommended granting the requested funds in the amount of \$20,000.

VICE-CHAIRMAN HOLDSWORTH MOVED TO GRANT THE SUN COUNTRY QUARTER HORSE SHOW \$20,000 AS REQUESTED IN MATCHING EVENT ADVERTISING FUNDS FOR THE NEXT FISCAL YEAR. SECONDED BY COMMISSIONER CAVALIERE, THE MOTION CARRIED BY A UNANIMOUS VOTE OF FOUR (4) TO ZERO (0).

TOUR DE SCOTTSDALE

Commissioner Shaffer reported a great deal of discussion regarding this event by the Sub-committee. This is a small community event that may have potential to grow as a regional event. This event does not qualify for matching event advertising funding. The Sub-committee discussed funding the event from New/Developing event funds. A business plan is required in order to qualify for New/Developing event funds.

Further discussion ensued. Ms. O'Connor noted that the New/Developing event line item on the pro forma was originally intended to work in conjunction with the Matching Event Advertising Fund program. She noted that if there were to be an event that would clearly attract visitors and/or fill a need time, there is up to \$150,000 in the current budget for that purpose. At the pleasure of the Commission, the funding recommendation can either be for matching event funds or the new/developing event fund. Ms. O'Connor mentioned that the Community Events guidelines require a minimum attendance of 10,000 people and cautioned that the Commission be prepared to explain to City Council their reasons for requesting bed tax funds for this particular event, in the event the Commission desires to do so.

Pursuant to request by Vice-Chairman Holdsworth, Ms. O'Connor cited the criteria established for New/Developing events from bed tax funds requires presentation of a business plan. The event could be an existing event looking to expand or an event seeking establishment in Scottsdale. The Commission would consider up to three years of bed tax funds to support that event. The funds are not limited to advertising costs.

VICE-CHAIRMAN HOLDSWORTH MOVED THAT THE TOUR DE SCOTTSDALE NOT BE GRANTED FUNDS IN MATCHING EVENT ADVERTISING AS THE EVENT DOES NOT QUALIFY UNDER THE CRITERIA SET OUT.

Vice-Chairman Holdsworth added that this an interesting event that could be developed and suggested that the organizers present a business plan for future discussion by the Commission and consideration under the New/Developing event program.

Speaking in terms of the new event funding, Mr. DeRaad cited that the event has worked with the CVB during the past couple of years and expressed favor and merit in helping them to expand the event. He opined that with proper exposure and promotion, the number of out of town participants could increase.

David Benjes agreed to present the Commission with a business plan and shared details of their advertising efforts.

SECONDED BY COMMISSIONER SHAFFER, THE MOTION CARRIED WITH A UNANIMOUS VOTE OF FOUR (4) TO ZERO (0).

6. SCOTTSDALE CONVENTION AND VISTORS BUREAU INFORMATION TECHNOLOGY REQUEST

Vice-Chairman Holdsworth requested an overview of the proposed technology request.

Ms. Sacco noted that the CVB is looking at its responsibilities in fulfilling the Strategic Five-Year Plan, citing the large component of which applies to technology. The proposal contains upgrades to the CVB server, and enhancements that provide the ability of having podcasts, virtual tours, and the ability to send email information that contains video attachments. The CVB is looking at software programs that would allow printed materials to be downloaded by visitors.

In response to an inquiry by Vice-Chairman Holdsworth regarding the call center, Ms. Sacco offered supporting information related to the CVB's firm decision to move the call center in-house.

VICE-CHAIRMAN HOLDSWORTH MOVED TO GRANT THE SCOTTSDALE CVB \$320,000 FROM BED TAX FUNDS, SUBJECT TO CITY COUNCIL APPROVAL. SECONDED BY COMMISSIONER CAVALIERE, THE MOTION CARRIED BY A UNANIMOUS VOTE OF FOUR (4) TO ZERO (0).

In response to inquiry by Chairman Sickie regarding next steps, Mr. Roderique reported that the matter is scheduled to go before City Council on October 3rd.

7. FIVE-YEAR STRATEGIC PLAN UPDATE (Attachment No. 4 and 4A-B)

Ms. O'Connor noted four primary areas identified by the Commission during the June update for short term retention. Those areas includes the Guest-Centric elements, High-Tech/High- Touch element, the Event Development Retention elements, and the Desert Discovery Center. Ms. O'Connor noted that the CVB response included in the packet addressed all of the noted elements.

Addressing event development and retention, Ms. O'Connor noted that City Council approved the CVB's agreement with the Fiesta Bowl. She opined that the process will serve as a great model in future efforts to secure long term agreements. Vice-Chairman Holdsworth commended the efforts expended in securing the Fiesta Bowl agreement, stressing the importance of securing long term events in the future.

Mr. Roderique noted the City's continuing efforts in working very closely with Barrett Jackson and the status of current events. Discussions have also been initiated with both the Thunderbirds on the FBR and All Arabian about beginning a process to implement long term agreements. The goal is to obtain long term agreements with key Scottsdale events.

Chairman Sickie and Vice-Chairman Holdsworth expressed favor in all efforts to secure long term events, whereupon further discussion ensued. Mr. Roderique explained that the process for securing long term event agreements would likely be accomplished through a partnership between the City and the CVB.

In response to inquiry by Vice-Chairman Holdsworth, Ms. O'Connor and Mr. Roderique acknowledged that Ms. Pearson has accepted the Tourism Development Coordinator position and will attend the Commission's retreat.

Ms. O'Connor, Chairman Sickle and Commissioner Shaffer are scheduled to meet with Bruce Skinner on September 25th to discuss event development in general. Ms. O'Connor acknowledged the directive of approaching event development from a business perspective in order to ensure that all of the appropriate questions are being asked. Chairman Sickle will give a report of the meeting outcome at the October Commission meeting. Ms. O'Connor requested input from Commissioners.

Chairman Sickle commended the efforts behind the Fiesta Bowl agreement, noting that one of the exciting aspects was the unanimous vote of City Council. In response to questions by Chairman Sickle related to maintaining momentum with City Council, Councilman Ecton suggested that it might be helpful if the CVB presented quarterly status updates to Council. Ms. O'Connor suggested that the TDC Chairman, as the City's advisory body, also participate in that meeting. Discussion followed about inviting Councilmember's to participate in the upcoming retreat in an effort to keep them informed of tourism related developments.

Addressing the event economic impact analysis, Ms. O'Connor noted that staff is working on a plan for securing long term agreements and are currently looking at FBR and the All Arabian horse show for 2007.

Ms. O'Connor noted that another Desert Discovery Center Planning Committee meeting is scheduled for September 20 and reported that the business plan information being assembled by the City's Financial Services Department is progressing.

In response to query by Vice Chairman-Holdsworth regarding the significant private effort required to get the Desert Discovery project off the ground, Ms. O'Connor and Chairman Sickle explained the various reasons that the City took the lead in developing the business plan.

Ms. O'Connor acknowledged that the McDowell Sonoran Preserve Commission recommended to City Council that the City seriously consider operating the facility. The issue is yet to be decided.

8. NOVEMBER 14, RETREAT AGENDA DISCUSSION (Attachment No. 5)

Chairman Sickle cited that retreat discussions are intended to identify the Commission's objectives and key accomplishments for the next couple of years. Noting the current list of tentative agenda items, Chairman Sickle provided

examples of possible discussion topics. Recognizing that the most valuable commodity is time, he suggested that the Commission focus on doing two or three things and doing those things well. The objective of the retreat is to come out of the meeting with a clear sense of specific direction.

Ms. O'Connor stressed the importance of discussing the overall strategic plan oversight responsibility going forward. Additional agenda items to be discussed are a policy for bed tax expenditures as well as a review and recommended updates to the City Code Ordinance. Staff will compile recommended suggestions. Ms. O'Connor also noted the need for preliminary discussion regarding the 07/08 bed tax budget.

Chairman Sickle addressed the suggestion of utilizing an outside facilitator for the retreat. He opined that using a facilitator would add value to the retreat. Scott Hannah is the proposed facilitator. Brief discussion ensued regarding Mr. Hannah's qualifications and prior City experience.

In response to questions by Vice-Chairman Holdsworth, Ms. O'Connor clarified that the City Code to be reviewed is the bed tax Ordinance that established the Commission and the areas upon which bed tax can be spent. The Ordinance was created in 1988.

Ms. O'Connor requested that Commissioners forward her their thoughts or specific issues to be included for discussion at the retreat. She encouraged Commissioners to look at the big picture.

The retreat is a public meeting.

9. BED TAX PROFORMA (Attachment No. 6)

Lee Guillory reported that the attached bed tax pro forma includes FY05/06 actual numbers, although the outside audit opinion has not yet been received. The FY06/07 Super Bowl line item was changed from \$120,000 to \$115,000. Ms. O'Connor reported that \$20,000 was deducted from the event development line item in conjunction with the Fiesta Bowl agreement.

10. MANAGER'S REPORT

Bed Tax Staff Report (Attachment No. 7)

Bed tax receipts are up 15% year-to-date. Growth continues in hotel/motel, retail and restaurant tax. Inventory in full service hotels has now been absorbed.

Smith Travel Report (Attachment No. 8)

The report reflects a slight tipping off with July numbers down 4% compared to last year. Growth is occurring in the average rate reflecting a 13% increase in July and 12.3% year-to-date, as well as rev par.

In response to query by Mr. Roderique, Commissioner Shaffer and Chairman Sickel opined that the current occupancy forecast through the fall and winter months appears to be consistent with last year.

**Tourism Project Status Updates
Barrett Jackson Survey Analysis (Attachment No. 9)**

Deferred to the October meeting.

11. SCVB MONTHLY UPDATE (Attachment No. 10)

Referring to August 2006 SCVB update, Ms. Sacco reflected that numbers are looking very strong. The Annual CVB meeting is scheduled for September 22; the featured speaker is Terry Jones, founder of Travelocity. Ms. Sacco highlighted a new promotion entitled showup.com and the 5th Annual Bon Appetite Celebrity Chef Golf Invitational. Ms. Sacco shared the September issue of Bon Appetite as well as the November issue of Smithsonian.

Ms. Sacco reported continuing efforts in working with Paradise Valley on a long term agreement, noting a work study session scheduled for October 12.

Chairman Sickel expressed favor about the partnership with Sedona and requested further information regarding the technology link. Mr. DeRaad reported current work on creating a website called scottsdale-sedona.com. The website is expected to include interactive maps, suggested itineraries and hotel packages. Booking of packages could be available on-line by November.

12. ITEMS FROM THE FLOOR

Councilman Ecton acknowledged several challenges facing the Cultural Council and encouraged the creation of a closer liaison between the Cultural Council, the CVB and other organizations. Ms. Sacco concurred and reported having met with the Cultural Council Chairman to discuss the possibilities.

Mr. Roderique noted that City Council will review Tourism Development Commission nominations on September 19. The 7th member is expected to join the Commission at the October meeting.

Guidelines for community events and the CVB technology proposal will be presented to City Council on October 3rd, and Matching Event Funding recommendations will be presented to City Council on October 17th.

13. PUBLIC COMMENTS

There were no public comments.

14. ADJOURNMENT

With no further business before the Commission, the meeting adjourned at 10:13 a.m.

Respectfully submitted,
A/V Tronics, Inc.

13. PUBLIC COMMENTS

There were no public comments.

14. ADJOURNMENT

With no further business before the Commission, being moved by Vice-Chairman Holdsworth and seconded by Commissioner Cavaliere, the meeting adjourned at 10:08 a.m.

Respectfully submitted,
A/V Tronics, Inc.